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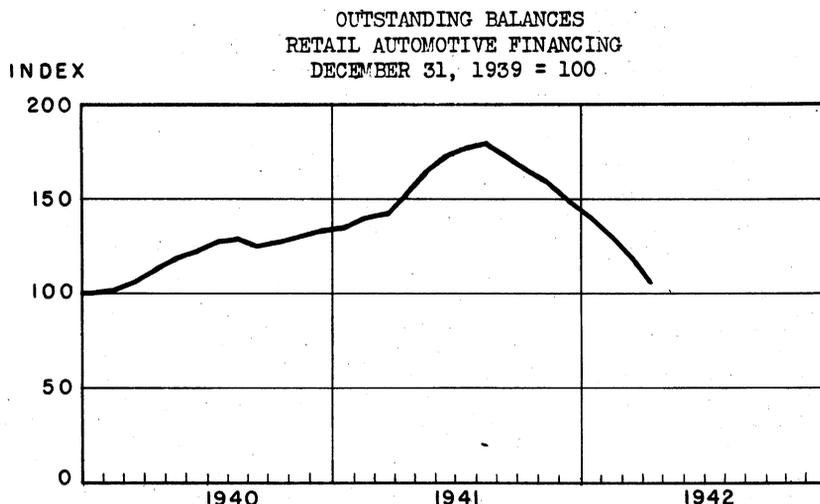
SALES FINANCE COMPANIES

April 1942

COPY 1

A decrease of 7 percent from March 1942 to April 1942 in the number of new passenger cars financed by sales finance companies was announced today by J. C. Capt, Director of the Census. The dollar volume of paper acquired in the financing of new passenger cars decreased 9 percent. For new commercial cars, the number financed and the volume of paper acquired decreased 30 percent and 31 percent respectively. Used passenger car financing decreased 18 percent for the number of cars and 23 percent for the dollar volume, while used commercial car financing decreased 21 percent and 16 percent respectively.

During April 1942, retail automotive outstandings of sales finance companies decreased 9 percent, which is identical to the percentage decrease during the previous month. The steady downward trend of the automotive outstanding balances since August 1941 is shown by the chart presented below.



The volume of paper acquired by sales finance companies in wholesale financing decreased 53 percent for new cars and 40 percent for used cars from March to April of this year. The outstanding balances for wholesale automotive financings decreased 5 percent during April, marking the beginning of the downward swing from the high in February.

In retail diversified financing, the volume of paper acquired by sales finance companies decreased in all cases except for residential building repair and modernization, which increased 7 percent, in the period from March to April of 1942. The financing of radios, pianos, and other musical instruments decreased 49 percent, closely followed by a drop of 47 percent in the financing of refrigerators. The financing of household appliances, of furniture, and of industrial, commercial, and farm equipment decreased 32 percent, 10 percent, and 9 percent respectively. In wholesale diversified financing the volume of paper acquired by sales finance companies was down 41 percent from March to April of this year.

Diversified outstanding balances held by sales finance companies recorded only slight reductions during April. Retail outstanding balances for other consumers' goods were reduced 3 percent for the fourth successive month, while the balances for industrial, commercial, and farm equipment were down 6 percent.

The ratios of the paper acquired during April 1942 to the outstanding balances as of April 30, 1942 are 3 percent for retail automotive, 5 percent for wholesale automotive, 6 percent for retail-other consumers' goods, 12 percent for industrial, commercial, and farm equipment, and 21 percent for wholesale-other than automotive.

These data on the current trends of sales financing for the month of April are based on reports for March and for April from 282 sales finance companies. Neither the dollar volumes nor the indexes should be used to indicate the total amount of financing by all sales finance companies in the United States. The data are published as reported without adjustment for seasonal or price fluctuations. The data included in tables 5, 6, and 7 of this release are not comparable to those published for previous months, since monthly reports are not received each month from identical sales finance companies. All indexes for April were obtained by calculating the percent changes from March to April, as shown by reports for March and for April from sales finance companies reporting comparable data, and by linking these percentages to the indexes previously derived for March 1942.

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SALES FINANCE COMPANIES

Table 1. -- Automotive and Diversified Financing ^{a/}
 Index of Trends in Outstanding Balances by Class of Paper
 December 31, 1939 = 100

Date	Total all sales financing	Retail automotive	Wholesale automotive	Wholesale other than automotive	Retail other consumers' goods	Industrial, commercial and farm equipment
1939 - Dec. 31....	100	100	100	100	100	100
1940 - Dec. 31....	136	132	169	119	129	97
1941 - Mar. 31....	-	142	-	-	-	-
- Apr. 30....	-	152	-	-	-	-
- May 31....	-	163	-	-	-	-
- June 30....	-	171	-	-	-	-
- July 31....	-	176	-	-	-	-
- Aug. 31....	-	178	-	-	-	-
- Sep. 30....	-	170	-	-	-	-
- Oct. 31....	-	164	-	-	-	-
- Nov. 30....	-	157	-	-	-	-
- Dec. 31....	152	149	175	217	148	93
1942 - Jan. 31....	147	139	196	232	143	91
- Feb. 28....	143	128	234	275	139	91
- Mar. 31....	135	116	233	242	135	91
- Apr. 30....	125	105	222	199	131	85

^{a/} Indexes for January 31, 1941 through November 30, 1941 are derived from data in the "Automobile Financing" report previously published by the Bureau of the Census. Indexes as of December 31 for the years of 1939, 1940, and 1941 are based on figures reported by sales finance companies on a supplementary report form which accompanied the regular monthly report form for January 1942. Indexes for 1942 are derived by calculating the percent changes of the outstanding balances reported for each month from those reported for the previous month, as shown by matched schedules, and by linking these percentages to the index for the previous month.

Table 2.-- Automotive Financing ^{a/}
 Index of Trends in Number of Cars Financed, 1942
 January 1942 = 100

Class of paper	January	February	March	April
Total retail automotive.....	100	70	78	64
New passenger cars.....	100	22	43	40
New commercial cars.....	100	29	47	33
Used passenger cars.....	100	77	83	68
Used commercial cars.....	100	77	73	57

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^{a/} Indexes are derived by calculating the percent changes in the number of cars financed during each month from those financed for the previous month, as shown by matched schedules, and by linking these percentages to the indexes for the previous month. The indexes for "Total retail automotive" are based on figures reported for this item regardless of whether or not a break-down could be supplied.

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Table 3.-- Automotive Financing a/
Index of Trends in Volume of Paper Acquired, 1942
January 1942 = 100

Class of paper	January	February	March	April
Total retail automotive.....	100	62	73	57
New passenger cars.....	100	22	46	42
New commercial cars.....	100	29	41	28
Used passenger cars.....	100	73	81	62
Used commercial cars.....	100	81	73	62
Total wholesale automotive.....	100	93	39	19
New cars (passenger and commercial).....	100	100	37	17
Used cars (passenger and commercial).....	100	67	66	40

a/ Indexes are derived by calculating the percent changes in the volume of automotive paper acquired during each month from the volumes acquired during the previous month, as shown by matched schedules, and by linking these percentages to the indexes for the previous month. The indexes for "Total retail automotive" and for "Total wholesale automotive" are based on figures reported for these items regardless of whether or not a breakdown could be supplied.

Table 4.-- Diversified Financing a/
Index of Trends in Volume of Paper Acquired, 1942
January 1942 = 100

Class of paper	January	February	March	April
Total retail - other consumers' goods.....	100	103	137	123
Furniture.....	100	88	122	110
Radio, television sets, pianos and other musical instruments.....	100	108	141	72
Refrigerators, (gas and electric).....	100	147	250	132
Other household appliances.....	100	115	169	116
Residential building repair and moderniza- tion.....	100	92	119	127
Miscellaneous retail.....	100	144	155	131
Total wholesale - other than automotive.....	100	154	99	58
Industrial, commercial, and farm equipment...	100	157	194	176
Total diversified financing.....	100	127	146	115

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a/ Indexes are derived by calculating the percent changes in the volume of diversified paper acquired during each month from the volume acquired during the previous month, as shown by matched schedules, and by linking these percentages to the indexes for the previous month. The indexes of "Total retail other consumers' goods" are based on figures reported for this item regardless of whether or not a breakdown could be supplied.

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Table 5.-- Automotive and Diversified Financing
Volume of Paper Acquired During April 1942 and Balances Outstanding April 30, 1942

Class of paper	Dollar volume of paper acquired during April 1942		Outstanding balances April 30, 1942 b/	Ratio of paper acquired to outstanding balances c/
	By all companies a/	By all companies reporting outstanding balances b/		
Total retail automotive.....	\$29,847,719	\$29,385,435	\$877,982,918	3
Total wholesale automotive.....	18,493,114	18,416,680	358,345,499	5
Total wholesale - other than automotive....	1,422,379	1,340,170	6,491,522	21
Total retail - other consumers' goods.....	14,616,574	14,325,449	257,050,978	6
Industrial, commercial and farm equipment..	1,108,264	1,092,910	9,414,114	12
Total sales financings.....	\$65,488,050	\$64,560,644	\$1,509,285,031	4

a/ Data are based on reports from all sales finance companies regardless of whether or not they could supply a breakdown and whether or not they could report their outstanding balances.

b/ Data are based on figures from sales finance companies able to report both their paper acquired and their outstanding balances.

c/ Ratios obtained by dividing paper acquired by outstanding balances for an identical group of firms.

Table 6.-- Automotive Financing a/
Number of Cars Financed and Volume of Paper Acquired During April 1942

Class of paper	Number of cars		Volume	
	Number	Percent of total	Dollars	Percent of total
Total retail automotive.....	76,387	100	\$29,546,104 b/	100
New passenger cars.....	4,699	6	3,622,243	12
New commercial cars.....	718	1	776,167	3
Used passenger cars.....	67,478	88	23,731,609	80
Used commercial cars.....	3,492	5	1,416,085	5
Total wholesale automotive.....	-	-	\$17,306,668 b/	100
New cars (passenger and commercial).....	-	-	13,272,672	77
Used cars (passenger and commercial).....	-	-	4,033,996	23

a/ Data are based on reports from sales finance companies providing a breakdown of their retail and wholesale automotive financing.

b/ These amounts are less than those reported in column 1 of table 5 due to the inclusion in that table of data from the sales finance companies that could not provide a breakdown.

Table 7.-- Diversified Financing a/
Volume of Paper Acquired During April 1942

Class of paper	Dollar volume	Percent of total
Retail - other consumers' goods:		
Furniture.....	\$267,792	3
Radio, television sets, pianos and other musical instruments.....	184,011	2
Refrigerators, (gas and electric).....	1,104,491	13
Other household appliances.....	407,013	5
Residential building repair and modernization...	3,557,649	41
Miscellaneous retail.....	591,825	7
Total retail - other consumers' goods.....	6,112,781 b/	71
Total wholesale - other than automotive.....	1,422,379	16
Industrial, commercial, and farm equipment.....	1,108,264	13
Total diversified financing.....	\$8,643,424	100

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a/ Data are based on reports from sales finance companies providing a breakdown of their retail financing of other consumers' goods.

b/ This amount is less than that reported in column 1 of table 5 due to the inclusion in that table of data from the sales finance companies that could not provide a breakdown.